

2008-2009 PERFORMANCE PLAN – Sr. Portfolio Manager, Corporate Governance (D. Johnson)

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Quantitative Performance Measures

Weight	Factor	Performance Measure	Incentive Schedule
10%	Total Fund	Excess return in basis points relative to: Total Fund Performance Benchmark. {SJ1CA1 – CPERSTO2}	-40 basis points = 0 0 basis points = 1.0 +20 basis points = 1.5
10%	Focus List Performance	Excess annualized return of 3-year Focus List Program Portfolio with individual portfolio companies measured against the S&P 500 if the company is a member of that index at the time of Investment Committee approval or Dow Jones Wilshire 4500 Index if the company was not a member of the S&P 500 at the time of Investment Committee Approval. Measures annualized return performance of the 2006, 2007, and 2008 Focus List Companies up through June 30, 2009.	0 basis points = 0 +200 basis points = 1.0 +400 basis points = 1.5
25%	Corporate Governance External	Excess return of CalPERS' external managers under the oversight of the Corporate Governance PM relative to their respective benchmarks. Governance funds asset weighted by invested capital. {SN6KA1 – CPERSEC2}.	+75 basis points = 0 +175 basis points = 1.0 +275 basis points = 1.5
25%	Corporate Governance Internal	Excess return of CalPERS Corporate Governance Internal Composite compared to: Corporate Governance Internal Benchmark. {SHPCA1 – CPERSHPC}	0 basis points = 0 +100 basis points = 1.0 +200 basis points = 1.5
15%	Global Equity Performance	Excess return deviation in basis points relative to: Global Equity Performance Benchmark. {GLOBLIC – CPERSGE2}.	- 50 basis points = 0 -10 basis points = 1.0 +15 basis points = 1.5
85%	Subtotal	Quantitative Measures	

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Qualitative Performance Measures

Weight	Factor	Performance Measure	Incentive Schedule
15%	Leadership	<i>Human Resources staff is working with the Interim Chief Investment Officer to develop the qualitative leadership performance measures which will be presented for second reading.</i>	From Schedule
15%	Subtotal	Qualitative Measures	
100%	Total	Quantitative and Qualitative Measures	